UNITED NATIONS

DP E

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Executive Board of the United Nations Children's Fund

Distr.
GENERAL

DP/1997/2
E/ICEF/1997/AB/L.3
18 November 1996

ORIGINAL: ENGLISH

UNDP/UNFPA: First regular session 1997
13-17 January 1997, New York
Item 5 of the provisional agenda

UNICEF: First regular session 1997
20-24 January 1997, New York
Item 10 of the provisional agenda

HARMONIZATION OF BUDGETS: UNDP, UNFPA and UNICEF

Summary

The Administrator of the United Nations Development Programme, the Executive Director of the United Nations Population Fund and the Executive Director of the United Nations Children's Fund are pleased to report to the Executive Boards that the organizations have agreed on:

(a) A common format for presentation of their biennial support budgets;
(b) Common terms and definitions relating thereto;
(c) A common methodology for the preparation of budget estimates.

Their proposal for a Biennial support budget embodying these aspects is hereby presented to the Executive Board of UNDP/UNFPA and the Executive Board of UNICEF for their review and approval.

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PART ONE

I. PURPOSE

1. In response to decision 94/30 of the UNDP/UNFPA Executive Board and 1994/R.3/6 of the UNICEF Executive Board, the Administrator of UNDP, the Executive Director of UNFPA and the Executive Director of UNICEF are pleased to report to the Executive Boards that the organizations have agreed on:

(a) A common format for presentation of their biennial support budgets;
(b) Common terms and definitions related thereto;
(c) A common methodology for the preparation of budget estimates.

The proposal for a Biennial support budget embodying these aspects is hereby presented to the Executive Board of UNDP/UNFPA and the Executive Board of UNICEF for review and approval. An account of the steps leading to this proposal is contained in annex VII (see addendum 1 to the present document). While the efforts leading to this proposal have concentrated on the development of comparable and transparent budget information, the equal need to ensure that the unique nature and requirements of each organization are not jeopardized have also characterized these efforts. To repeat an apt and well-turned observation, harmonization means more similarity, it does not mean sameness. Where different treatment is required to meet the needs of an organization, it will be identified in the explanation of the specific harmonization aspect set forth below.

II. ORGANIZATION OF THE REPORT

2. To facilitate the review by Member States of the proposed presentation of the Biennial support budget, the organizations have prepared a budget mock-up (see part two of the present document). The organization of the mock budget and the tables included reflect the agreed formats proposed for use by the organizations in the preparation of their 1998-1999 budgets. While the organization is fictitious (HWG stands for Harmonization Working Group), an attempt has been made to reflect a reasonable facsimile of the prevalent environment and conditions to permit a more realistic evaluation of the proposed presentation. The budget mock-up includes annotations to enable the reader to identify readily how one table ties into others.

3. In addition to a harmonized presentation for the budgets of the organizations, the decisions of the Executive Boards called for agreement on terms and their definitions. These are reflected in annex I. Following their review and acceptance in principle by the Executive Boards, the organizations will submit the terms and definitions to the Consultative Committee on Administrative Questions (CCAQ). Proposed amendments to the Financial Regulations of the organizations to reflect the revised definitions will be submitted to the Executive Boards following the review by CCAQ.

4. The first step in the harmonization effort was the identification of common features in the budgets of the three organizations and an explanation of the areas that were not common. This, in effect, provided the road map for the exercise. To enable the Executive Boards to compare, for each feature, the current treatment by each organization and the proposed harmonized treatment, the summary and details of the initial comparison, annotated to reflect the proposed approach, are provided respectively in annexes V and VI, contained in addendum 1 to the present report.

5. Annexes II, III, and V provide additional supporting information on three aspects of harmonization, namely, methodology, the resource plan and expenditure categories respectively. These are dealt with in greater detail below.

III. PROPOSAL[1]

A. Financial framework

6. The total resources of all three organizations can be divided into two major groups: Regular resources and Other resources (see annex I). Other resources relating to programmes include (a) for UNDP, cost-sharing and trust fund contributions; (b) for UNFPA, multi-bilateral contributions; and (c) for UNICEF, supplementary funding contributions. With regard to Regular resources, all three organizations have separate approval processes for resources dedicated to Programmes[2] and those required for their support. Resources required for support activities are appropriated by the Executive Boards following their own reviews and those of ACABQ of the proposals set forth in the "Biennial support budget" proposed in the current document. It is the treatment of these resources that constitutes the primary focus of the harmonization exercise. With regard to Other resources, the receipt of funds by UNDP and UNFPA is governed by their respective Financial Regulations and Rules on the establishment of trust funds and the receipt of cost-sharing contributions. Those Regulations and Rules are modelled on those of the United Nations, where such resources are treated as extrabudgetary in the United Nations programme budget. Similar to action taken by the General Assembly on extrabudgetary estimates, the Executive Boards do not approve the use of these resources, the contractual relationship being between the donor and the executive head of the organization concerned; information is, however, provided covering both Programmes and their support to enable the Executive Boards to evaluate the full spectrum of activities undertaken by the organization. In the case of UNICEF, the country programme recommendations, which are approved by its Executive Board, include both activities designated for funding from UNICEF Regular resources and those targeted for Other resource financing. The resources relating to support activities financed from Other resources are included in the Biennial support budget.

1. Resource plan

7. In order to place resources required for support activities in the context of the overall resources available to the organization, the Biennial support budget includes a Resource plan. The proposed Resource plan has three sections (see part two):

(a) The first section covers total resources (both regular and other) available to the organization;

(b) The second section - Use of resources - sets forth estimates relating to the organization's programme activities. These are classified under three main headings: Programmes; Programme support; and Management and administration of the organization;

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[1] In its Biennial support budget, UNDP will also present the Biennial support budgets of the United Nations Capital Development Fund (UNCDF), the United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE) and the United Nations Fund for Science and Technology for Development (UNFSTD), the Office to Combat Desertification and Drought (UNSO) and the United Nations Development Fund for Women (UNIFEM). The proposals set forth in the present report will be applied, *mutatis mutandis*, to the Biennial support budgets of these Funds.

[2] With regard to UNICEF intercountry programmes, see para. 19.

(c) The last section provides a reconciliation between estimates included under the Use of resources section and estimates covered by the Biennial support budget.

(a) Resources available section

8. With regard to the Resources available section, a separate line is provided for "Reimbursement for services". All three organizations are asked to provide services to third parties because of their specific expertise (e.g., procurement services) or for economies of scale (e.g., the UNDP provision of financial, personnel and administrative services to agencies, Funds and Programmes outside UNDP). These services, however, are not related to the carrying-out of the organizations' own Programmes. It would thus be inappropriate to include these resources in the "Use of resources" section of the resource plan since they have no "Programmes" component. They are, however, included in the budget for the purpose of full disclosure. The related expenditure estimates are reflected in the third section of the Resource plan "Reconciliation - Gross budget estimates" (see para. 16 below). With regard to other items included under the income estimates of this section, net income from the Greeting Card Operation would be a unique line item in the UNICEF presentation.

(b) Use of resources section

9. As stated above, the Use of resources section represents the backbone of the harmonization effort. It provides the reader with a comprehensive picture of the totality of the resources and their use for purposes of Programmes, Programme support and Management and administration of the organization. Definitions for the three components are provided in annex I. In addition, the proposed application of these definitions by the three organizations, including the identification of changes from the present classification of resources, is set out in detail in annex III.

10. In deciding on the approach to be used, account was taken of the debate on this issue at the 1996 second regular sessions of the Executive Boards. A number of Member States endorsed a suggestion that the organizations' resources be divided into three main groups in line with the three components mentioned above. These groupings were also applied, to a large extent, by UNICEF in the 1996-1997 Headquarters and Regional Offices budget as well as by UNFPA in table 1 of the 1996-1997 Administrative and Programme Support Services (APSS) budget.

11. Similarly, in the classification of activities under Programme support and Management and administration of the organization, several factors were taken into account. These included:

(a) The expressed wish of Member States to receive information that would support strategic decision-making by the Executive Boards;
(b) The need to create a basis for reasonable comparison of estimates between organizations and changes over time within the same organization; and
(c) The need for an approach that is practical and simple so as to ensure that the application of the classifications results in meaningful, consistent estimates.

It is the considered view of the organizations that a classification based on organizational units, identifying the primary focus of the responsibilities and functions of each unit, would best meet all the requirements set forth above.

12. Recognizing that a distinction between headquarters and field activities was of key concern to Member States, the Programme support component is further subdivided accordingly.

13. From the beginning of the effort, it has been stated that the different nature of the three organizations may impact the degree to which full harmonization or full comparability may be achieved. While a comparison of total support activities, i.e., total Programme support plus Management and administration of the organization, can be fully compared among the three organizations, the individual line items cannot (see annex III). UNDP is essentially a funding organization that involves other entities for the execution and implementation of its programmes. Most UNDP funds are thus expended by others. UNICEF, on the other hand, is a funding and implementing organization. In accordance with the plan of operation for assisted countries, UNICEF expends all its funds. UNFPA is a funding organization that also executes parts of its Programmes. As a result of these differences, both UNDP and UNFPA have line items for support provided by agencies in their Use of resources section while this is not applicable to UNICEF. The support provided by agencies to UNDP and UNFPA Programmes is undertaken by UNICEF itself, either under Programme support or Management and administration of the organization, depending on the nature of the support. Barring costly and burdensome administrative mechanisms, it is not possible for UNICEF - in units covered by Management and administration of the organization - to identify separately the costs appropriately relating to Programme support (e.g., the hiring of project personnel versus the hiring of support personnel). An approximate comparison of the three organizations may, however, be made by comparing estimates for the UNICEF "Management and administration of the organization" section with the combined estimates for "Agency administrative and operational support costs" and "Management and administration of the organization" shown by UNDP or UNFPA. With regard to technical support services provided by agencies to UNDP and UNFPA Programmes, similar functions are carried out by technical staff in the UNICEF Programme Division at headquarters and in regional offices.

14. The second area within the Use of resources section that reflects the different structure of the organizations relates to the regional support provided to Programmes. Although the functions of the organizational units providing regional support is similar for all three organizations, within UNDP and UNFPA, regional support is carried out by units at headquarters while the UNICEF regional offices are located in the field. Thus, the estimates for Programme support (headquarters) in the UNDP and UNFPA Use of resources section includes their regional bureaux and divisions respectively, whereas the estimates for the UNICEF regional offices are combined with those for country offices.

15. The third area relates to UNDP responsibilities in support of the operational activities of the United Nations system as a whole. Therefore, for UNDP, the Use of resources section will have two subsections: the first will cover estimates relating to its own Programmes and related support (its core activities) and be fully comparable to the Use of resources sections of UNFPA and UNICEF; the second will cover estimates devoted to the support of the United Nations system.

(c) <u>Reconciliation section - Gross budget estimates</u>

16. The Use of resources section reflects the total net estimates relating to the organization's programme activities only, whether funded from Regular resources or Other resources. To bring the reader, first, to the (net) amounts covered by the support budget, Programme estimates that are approved or presented to the Executive Boards in other documentation are deducted (see para. 6 above). Secondly, to reconcile to gross estimates covered by the Biennial

support budget, elements treated as income items to the budget as well as amounts included for Reimbursement for services are added.

2. Programmes

17. One of the key objectives of the UNICEF integrated budget presentation was to provide the Executive Board with the information necessary to evaluate the request for support resources within the context of the Programmes to be delivered. The organizations, recognizing that this was a prevalent concern of Member States, have included table 6, which reflects the regional distribution of Programmes and Programme support in the proposed Biennial support budget (see part two).

18. The format of the table follows that of the Resource plan. While the primary thrust of the information is, as indicated, a regional display of Programmes and Programme support, estimates for Management and administration of the organization are included at the end of the table to provide a clear tie-in to the Use of resources section of the Resource plan.

19. As indicated in paragraph 6 above, for each of the three organizations, the respective Executive Boards follow two distinct processes by which they approve resources for Programmes on the one hand and resources in support of Programmes on the other hand. In the case of intercountry activities, however, the nature of UNICEF Programmes permits a biennial approach. Therefore, UNICEF will present, as a separate part of its budget document, intercountry programmes for approval by its Executive Board. The intercountry programme will cover activities to be financed from both Regular and Other resources.

B. Biennial support budget estimates

1. Appropriation structure

20. The proposed appropriation structure covers the Programme support and Management and administration of the organization components of the Use of resources section of the Resource plan, as follows:

Programme support
- Country offices
- Headquarters

Management and administration of the organization

Each separate estimate will be referred to as an "appropriation line" see annex I). In the case of UNDP, there will be additional sections and appropriation lines to cover support to the United Nations system and the Biennial support budgets of the Funds it administers (i.e., UNCDF, UNRFNRE/UNFSTD, UNSO and UNIFEM.)

21. As indicated in paragraph 14 above, for both UNDP and UNFPA, the regional bureaux and regional divisions, respectively, are included under Programme support: Headquarters. For UNICEF, regional offices will be combined with country offices to read "Country and regional offices".

22. The organizations have agreed that the budget document will include a standard draft appropriation decision. The text of the proposed draft decision is given in part two.

2. Estimates in support of the appropriation request

23. In determining the kind of information to be provided to support the appropriation request, it was considered that the key information desired by Member States in this respect was

(a) Estimates by appropriation line;
(b) Estimates by organizational unit;
(c) Estimates by expenditure category.

24. The proposed format for a summary table reflecting estimates by appropriation line only is shown in part two, table I.

25. The proposed format for gross appropriation estimates by organizational unit is provided in part two; chapter IV, summary table I. Organizational units to be included under each appropriation line are reflected in annex III. In addition, table I includes estimates for income to the budget. This permits a clear tie-in of both gross appropriation requests and estimated net appropriations to the comparable estimates included in the Resource plan.

26. The proposed format for gross appropriation estimates by expenditure category is provided in part two, chapter IV, summary table II. The agreed expenditure categories are modelled on those applied by the United Nations. A description of the types of expenditure items to be included under each category is provided in annex IV. As the organizations are in the process of developing new financial systems, these categories may change. However, it has been decided that any changes will be agreed upon by the three organizations to ensure the continued use of harmonized expenditure categories.

27. In addition to the need for estimates by the three information groups noted above, both UNDP and UNFPA have applied an approach, similar to that of the United Nations, whereby proposed total changes in resource requirements are distinguished between "volume" and "cost" (see annex I). The former essentially reflects the changes in resource requirements resulting from discretionary action by the executive head while the latter represents changes over which the executive head has no control, such as currency and inflation. The volume changes are expressed at the same rates as those in effect for the approved appropriation to permit a clear comparison of the proposed increases or decreases to the currently approved base. In the case of UNICEF, information on volume and cost changes was provided in the text of the budget document.

28. In reviewing the application by UNDP of its methodology for budget formulation, the External Auditors validated the sources of the volume, cost, currency and inflation adjustments and test checked a number of the calculations. They indicated that UNDP had made appropriate use of the information available to it and that the adjustments were based on sound financial and economic principles. Since the External Auditors made no recommendation for changes to the methodology applied by UNDP, the organizations have agreed to apply the UNDP methodology.

29. In the application of the above methodology, the organizations decided that they would follow a uniform approach on basic inflation rates to be used by all. These rates would be amended, as required, by each organization to reflect its own circumstances (e.g., inflation rates applicable to its own lease agreements for premises). For a normal submission of the Biennial support budget i.e., for approval by the Executive Boards in September of the second year of the current biennium, the date of 1 April will be used as the basis for currency adjustment. With regard to estimates for within-grade increments for staff, such

estimates would be included under "various cost adjustments" (see annex I) on an as-required basis, depending on the experience of the organization concerned.

30. Lastly, these tables reflect the decision of the organizations that, unless required by extraordinary circumstances or to meet specific requests of the Executive Board, appropriations for the current biennium will not be revised. Consequently, UNDP will no longer submit, as a norm, revised estimates for the current biennium either in the context of its proposals for the next biennium or in the interim year.

3. Other resources and income items

31. As previously indicated, a clear distinction needs to be made between Other resources relating to Programmes and Other resources relating to reimbursement for services (see annex I). The difference in the treatment of these activities in the Resource plan is covered in paragraphs 9 through 15 above. This distinction is carried forward in the proposed format of summary table IV of the budget mock-up (see part two), covering estimates relating to Other resources. This table is applicable only when an organization administers these support and reimbursement resources separately from its Regular resources.

32. All types of Other resources are administered separately by UNDP. UNFPA[1] and UNICEF administer separately Other resources relating to reimbursements, i.e., reimbursements received for procurement services to third parties. Both UNFPA and UNICEF credit their Regular resources budget with income received in respect of Other resources relating to Programmes. In addition, for UNFPA, the resources relating to support and procurement services provided to government-executed projects is likewise credited as income to its Regular resources budget. Somewhat similarly, UNICEF income includes estimates relating to the recovery, from Regular and Other resource programme funds, of the costs of packing and assembly. UNDP income to the Regular resources support budget is limited to Government contributions towards local office costs.

33. Despite the different organizational circumstances and treatment, the estimates for total net appropriations under Regular resources are fully comparable among the organizations. They reflect the net support costs relating to Regular resources Programmes. However, this is not the case when comparing gross appropriation estimates. UNDP gross appropriations for Core activities cover support costs relating to its Regular resources Programmes only. UNFPA gross appropriations cover support resources relating to its Regular and Other resource Programmes and resources for support and procurement services provided to government-executed projects. UNICEF gross appropriations cover support relating to its Regular and Other resource Programmes as well as the full resource requirement for packing and assembly activities. The reasons why each organization is using the approach described above are set forth in the following paragraphs.

UNDP

34 As indicated above, UNDP administers all its Other resources relating to Programmes and reimbursements separately from its Regular resources. The issue of extrabudgetary resources - now termed Other resources - was reviewed by the Governing Council on several occasions and its treatment in the biennial budget has remained unchanged (see reports of the Administrator contained in documents DP/1984/55, DP/1985/64, DP/1986/67 and related decisions 84/33, 85/42, 86/41, respectively). The reasons for separate administration of Other resources are threefold:

[1] See para. 35 below.

(a) It is the same approach as used by the United Nations in its treatment of extrabudgetary activities, on which the UNDP treatment is modelled;

(b) It provides a clear distinction between support resources relating to Regular resource activities and those relating to Other resource activities;

(c) It provides the Administrator with the flexibility needed to respond to significant fluctuations in the volume of Other resources actually received from one year to the next.

UNFPA

35. Relevant parts of the UNFPA establishment which are financed through the UNFPA Biennial support budget perform tasks associated with Other resources relating to Programmes (multi-bilateral funds) and support and procurement services provided to government-executed projects. Because of the relatively small scale of the additional income, it is not realistic to try to allocate specific cost items to all the units which provide support. As a result, the related income is credited to the Regular resources budget to offset these costs. If these resources should increase substantially in the future, UNFPA may consider administering them separately, in a manner similar to the current UNDP practice. With regard to Other resources relating to reimbursements (procurement services to third parties) and starting in the 1998-1999 biennium, UNFPA will harmonize with UNDP and UNICEF and administer these resources separately from Regular resources, i.e., as Other resources relating to reimbursements and included in the Biennial support budget. However, any balance of income remaining at the close of a biennium, after meeting the direct cost of these services, will also be credited to Regular resources income to the budget.

UNICEF

(a) Other resources relating to programmes

(i) Supplementary funded programmes

36. The Biennial support budget for an office implementing a country programme consisting of both Regular and Other resources (Supplementary funds) is prepared to provide a support base for the full country programme. Since most supplementary funded projects are extensions of activities already funded under Regular resources, the amount of staff time required to plan and implement such projects may be less than required for new projects and programmes. The proportional costs of core staff involved in the support of supplementary funded activities are absorbed by the Regular resources budget.

37. The Executive Board revisited the issue of the recovery rate in 1994 and decided (1994/R.3/5, para (c)) that all Supplementary funded programmes signed after 31 December 1995 shall include a separate budget line for "incremental field office administrative and programme support costs equivalent to 3 per cent of the total programme budget. This line item shall be applied to the general operating costs in the field office and shall be additional to direct field operating costs such as staff costs, staff travel, computer equipment, etc., which will continue to be included in specific (supplementary funded) programme budgets". It is therefore prudent that UNICEF gain more experience on the application of the interim policy, review its merits and report on its applicability to the Executive Board in 1999[4].

[4] Interim policy also provides for the charging of all headquarters posts, previously charged to recovery funds, to be charged to the Biennial support budget without any change to contractual status.

(ii) Non-procurement Special Accounts

38. UNICEF accepts funds provided by sponsors to cover the costs of Junior Professional Officers (JPOS) and funds received for activities relating to the UNICEF mandate yet beyond Board-approved programmes such as the World Bank Special Accounts. Although these activities are considered of the programme type and the income received for their support will be credited to the Regular resources budget starting 1998-1999, no corresponding "Programme" amount is included in the Use of resources section of the Resource plan since these funds are not considered as "Income to UNICEF". The minimal support income will be credited to Management and administration of the organization since the support costs incurred to administer this activity are mainly under this component .

(b) Other resources relating to reimbursements

39. With regard to Other resources relating to reimbursements, the income and costs are administered separately from Regular resources (a) to ensure that the incremental costs relating to this activity are met by the income received and (b) to maintain the integrity of the Regular resources gross budget as relating strictly to the support of Programmes.

(c) Other income items to the budget

40. Packing and assembly costs are an appropriate charge to Programmes financed under either Regular or Other resources since they are an integral part of the cost of providing supplies from the warehouse. They are included in the Biennial support budget for the purpose of full disclosure of the activities undertaken by the Supply Division. As the income from recovery of packing and assembly costs relates, in part, to Regular resource Programme activities, it is appropriate for the income to be reflected as income to the Regular resources budget. In line with the approach outlined for Supplementary funding (paras. 36 and 37 above), the recovery for packing and assembly costs relating to Supplementary funded Programmes is also credited as income to the Regular resources budget.

4. Post requirements

41. Under the Biennial support budget, the organizations propose to drop any distinction between types of posts, it being understood that all posts are financed from voluntary contributions, either to Regular resources or to Other resources. However, the distinction between posts financed under the Biennial support budget and those financed under Programmes (project posts) will continue to be made. They have further agreed to reflect the following groups of post categories in their Biennial support budget estimates:

(a) International Professional category and above;
(b) National Professional category;
(c) General Service and other categories.

The "International Professional category and above" will be broken down by level.

42. Summary table III , the proposed table format covering all posts (see part two, chapter IV), provides information by source of funds and organizational unit. It is further structured to permit the correlation of post information to estimates included in the Use of resources section of the Resource plan as well as gross appropriations in summary table I and other resource estimates in summary table IV. To facilitate the review of proposed changes in Regular resource post requirements from the current biennium to the next biennium, table 4 of part two isolates these changes by organizational unit and differentiates between propose post increases/decreases and proposed reclassifications.

5. Electronic data processing requirements

43. There is one specific recurrent issue on which information has been requested from all three organizations: the level of resources to be used for electronic data processing (EDP) requirements. The organizations therefore propose to continue to cover this topic in their Biennial support budgets. The proposed format is provided in table 5 of part two. The organizations have further agreed that the costs of development of major new systems will be reflected under either Programme support or Management and administration of the organization, to reflect the organizational units that are expected to be the primary beneficiaries of the new system.

6. Level of detail

44. Conscious of the wish of Member States to focus on strategic financial decision-making by the Executive Boards, the organizations propose to limit the information in the Biennial support budget document to the summary level, as set forth in the budget mock-up provided in part two. Should further, more detailed information be required, it would be made available on request.

7. Organization of the Support budget

45. The table of contents (see part two) reflects the proposed organization of the budget document. It is understood that the structure displayed represents the minimum and will be modified to meet the unique requirements of each organization. The numbers assigned to specific tables and figures may change, particularly those included in the body of the text, as it is expected that additional tables and figures will be required to reflect the budget strategy applicable to any given biennium.

46. Besides the list of abbreviations, organizational chart and annexes, the document will consist of at least four main chapters (see part two of this present document):

(a) Chapter I - Executive summary.

The chapter will begin with tables 1 and 2 and related figures and be followed by two sub-chapters, one on overview and strategy and one on the financial framework. The latter will include the Resource plan and related figure;

(b) Chapter II - Proposals for the Biennial support budget.

The sections follow the appropriation structure after allowing for the presentation of across-the-board information. The section entitled "General" will include table 4 on changes in post requirements and table 5 on EDP requirements and appropriate figures. The section entitled "Overall" will include table 6 showing the regional distribution of Programmes and Programme support;

(c) Chapter III - Draft appropriations decision;

(d) Chapter IV - Summary tables.

These will include the following proposed tables:

Table I: Proposed gross budget estimates by organizational unit within appropriation line and Estimated income to the budget;

Table II: Proposed gross budget estimates by expenditure category within appropriation line;

Table III: Estimated distribution of posts by source of funds and organizational unit;

Table IV (a): Other resource estimates by source of funds and organizational unit.

Table IV (b): Other resource estimates by source of funds and expenditure category.

47. The Biennial support budgets will also include two annexes, standard for all three organizations, on terminology and on methodology. These will be the same as annexes I and II of part two of the present report.

48. To assist the reader in locating tables and figures, the relevant listings will be included at the end of the table of contents.

IV. CONCLUDING REMARKS

49. In carrying out this demanding, complex task, each organization has gained an insight into the work and needs of the others. All are appreciative of the guidance received from Member States during successive meetings and individual consultations, both formal and informal. The organizations are determined to ensure that a harmonized approach to their Biennial support budgets will continue, and, to that end, have committed themselves to introducing changes in the common approach only after agreement has been reached among them. In fact, the organizations are continuing discussions initiated during the harmonization effort on constraints they face in the effective management of resources, particularly staff resources, without having adequate authority. As a direct consequence of the harmonization of budgets, the organizations will ensure that the related accounts are appropriately modified to reflect the proposed definitions and structure of these proposals. In the present report, the organizations have tried to provide the Executive Boards with clear and succinct information on the results of harmonization.

V. EXECUTIVE BOARD ACTION

50. The Executive Board may wish to:

Approve the proposed format for the future Biennial support budget as contained in the present document.

PART TWO

BUDGET MOCK-UP

HARMONIZATION WORKING GROUP

PROPOSED FORMAT FOR THE 1998-1999 BIENNIAL SUPPORT BUDGET

Summary

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[1] For UNDP: Chapter II will read "Proposals for the UNDP 1998-1999 Biennial support budget"
In addition to sub-chapters A through C above, there will be a sub-chapter "D. Support to the United Nations system"
Chapter II will be followed by a different Chapter III: "Biennial support budgets of Funds" (covering UNCDF, UNRFNRE and UNFSTD, UNSO and UNIFEM).
Subsequent chapters will be renumbered accordingly.

[2] For UNDP: There will be additional appropriation lines to cover components of "Support to the United Nations system" and each Fund.
For UNICEF: The appropriation line for country offices will read "Country and regional offices"

[3] For UNDP: All tables will include, as applicable. additional components for "Support to the United Nations system" and the Funds.
For UNICEF: In all tables, country offices will read "Country and regional offices"

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ANNEXES

I. Terminology 41
II. Methodology 43

For UNICEF: Chapter IV will be "Intercountry programmes". Summary tables will become Chapter V.

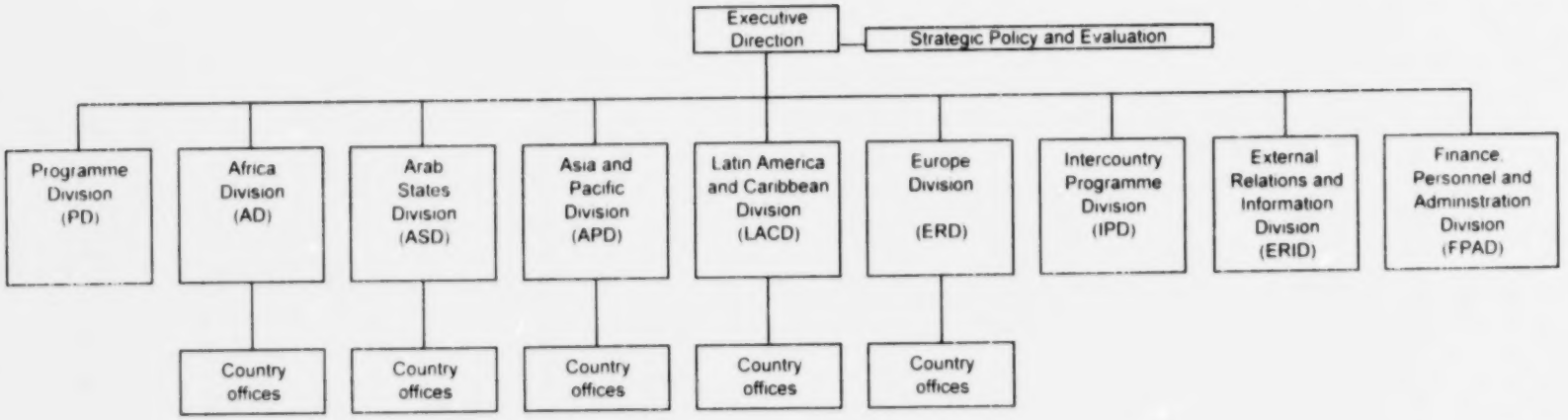
For UNFPA: Estimated income will include income from support to Other resources relating to Programmes; icome from support and procurement services provided to government-executed projects; and, as appropriate, estimated balance of income from procurement services to third parties, after deduction of direct costs.

For UNICEF: Estimated income will include income from Other resources relating to Programmes (Supplementary funding and non-procurement special accounts) and recovery of packing and assembly costs.

ABBREVIATIONS

AD	Africa Division
APD	Asia and the Pacific Division
ASD	Arab States Division
BSB	Biennial support budget
ED	Executive Direction
ERD	Europe Division
ERID	External Relations and Information Division
FPAD	Finance, Personnel and Administration Division
HWG	Harmonization Working Group
IPD	Intercountry Programmes Division
LACD	Latin America and the Caribbean Division
PD	Programme Division

Organizational Chart



NB This organizational chart is illustrative in nature. each organization will present its own organizational chart as part of its budget document

I. EXECUTIVE SUMMARY

Table 1. Gross budget estimates by appropriation line and by location

(Thousands of United States dollars)

Gross budget estimates	1996-1997 Approved appropriations	1996-1997 % of Total	Changes Volume Inc/(Dec.)	Changes Volume %	Changes Cost Inc/(Dec.)	Changes Cost %	1998-1999 Proposed estimates	1998-1999 % of Total
By appropriation line								
Programme support								
Country offices	156 200.0	67.5	(6 200.0)	(4.0)	21 974.0	14.1	171 974.0	70.1
Headquarters	24 100.0	10.5	(2 300.0)	(9.5)	1 344.0	5.6	23 144.0	9.4
Management and admin. of org.	51 000.0	22.0	(3 500.0)	(6.9)	2 850.0	5.6	50 350.0	20.5
TOTAL	231 300.0	100.0	(12 000.0)	(5.2)	26 168.0	11.3	245 468.0	100.0
By location								
Country offices	156 200.0	67.5	(6 200.0)	(4.0)	21 974.0	14.1	171 974.0	70.1
Headquarters	75 100.0	32.5	(5 800.0)	(7.7)	4 194.0	5.6	73 494.0	29.9
TOTAL	231 300.0	100.0	(12 000.0)	(5.2)	26 168.0	11.3	245 468.0	100.0

See table 3: Total gross budget estimates. Regular resources
See table I: Total gross approp. by org. unit
See table II: Total gross approp. by exp. cat.

Figure A. Gross budget estimates by appropriation line, 1998-1999

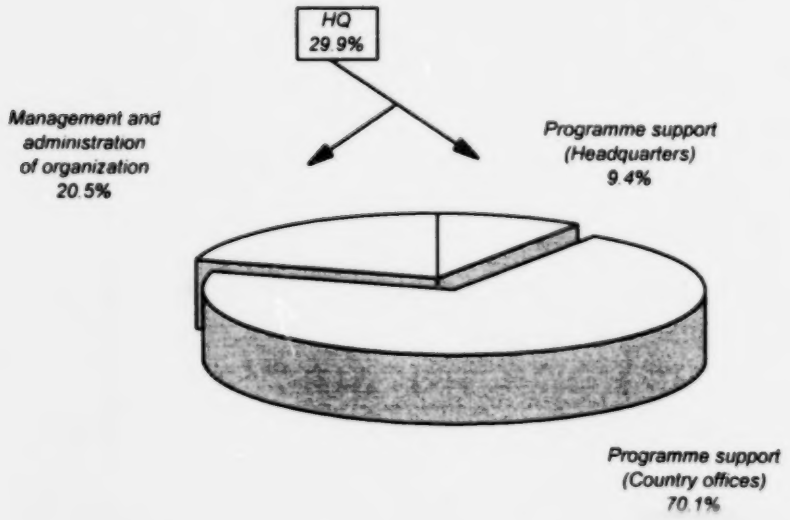


Table 2. Regular resource posts by category, appropriation line and location

Posts	1996-1997 Approved posts					Changes Increase/(Decrease)				1998-1999 Proposed posts				
	IP	NP	GS/Oth	Total	% of Total	IP	NP	GS/Oth	Total	IP	NP	GS/Oth	Total	% of Total
By appropriation line														
Programme support														
Country offices	209	220	1327	1756	87 8	(13)	-	(50)	(63)	196	220	1277	1693	88 6
Headquarters	54		52	106	5 3	(4)	-	(5)	(9)	50		47	97	5 1
Management and admin of org	50		88	138	6 9	(3)	-	(15)	(18)	47		73	120	6 3
TOTAL	313	220	1467	2000	100 0	(20)	-	(70)	(90)	293	220	1397	1910	100 0
By location														
Country offices	209	220	1327	1756	87 8	(13)	-	(50)	(63)	196	220	1277	1693	88 6
Headquarters	104	-	140	244	12 2	(7)	-	(20)	(27)	97	-	120	217	11 4
TOTAL	313	220	1467	2000	100 0	(20)	-	(70)	(90)	293	220	1397	1910	100 0

See table 4 Proposed change
See table III Posts for Regular resources

Figure B. Regular resource posts by appropriation line, 1998 - 1999

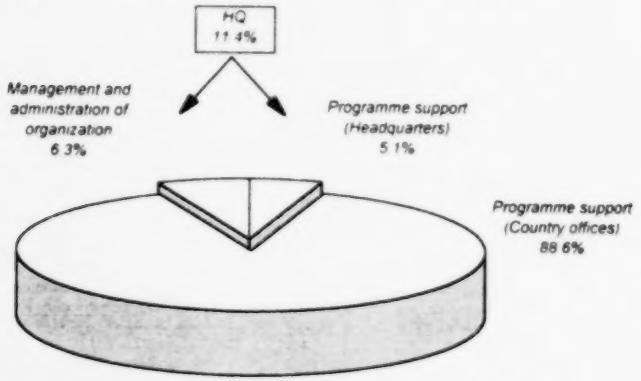
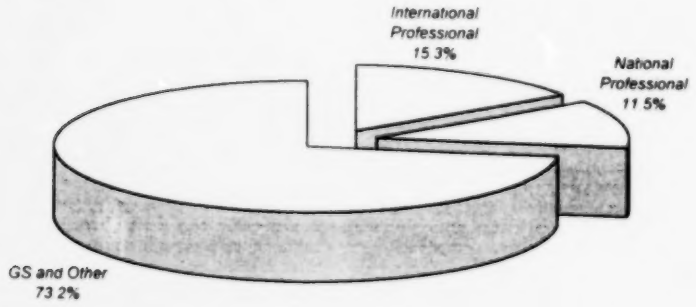


Figure C. Regular resource posts by category, 1998 - 1999



A. Overview and strategy

1. xxx

2. xxx

3. xxx

4. xxx

B. Financial framework

Table 3. HWG resource plan

(Thousands of United States dollars)

	1996 - 1997						1998 - 1999					
	Regular resources		Other resources		Total resources		Regular resources		Other resources		Total resources	
	$	%	$	%	$	%	$	%	$	%	$	%
Resources available												
Opening balance	150 000 0		50 000 0		200 000 0		140 000 0		51 000 0		191 000 0	
Income												
Contributions	1 000 000 0		450 000 0		1 450 000 0		950 000 0		465 000 0		1 415 000 0	
Reimbursement for services			9 500 0		9 500 0				10 100 0		10 100 0	
Total	1 150 000 0		509 500 0		1 659 500 0		1 090 000 0		526 100 0		1 616 100 0	
Use of resources												
HWG programmes and support activities												
A Programmes	690 000 0	68 9	380 000 0	87 8	1 070 000 0	74 6	650 000 0	66 3	405 000 0	87 0	1 055 000 0	73 0
B Programme support												
Country offices	136 200 0	13 6	18 500 0	4 3	154 700 0	10 8	151 474 0	15 5	22 280 0	4 8	173 754 0	12 0
Headquarters	24 100 0	2 4	3 050 0	0 7	27 150 0	1 9	23 144 0	2 4	3 753 0	0 8	26 897 0	1 9
Agencies												
Technical support	60 000 0	6 0	10 000 0	2 3	70 000 0	4 9	60 000 0	6 1	10 000 0	2 1	70 000 0	4 8
Admin and oper support	40 000 0	4 0	20 000 0	4 6	60 000 0	4 2	45 000 0	4 6	23 000 0	4 9	68 000 0	4 7
Subtotal	100 000 0	10 0	30 000 0	6 9	130 000 0	9 1	105 000 0	10 7	33 000 0	7 1	138 000 0	9 5
Total programme support	260 300 0	26 0	51 550 0	11 9	311 850 0	21 7	279 618 0	28 5	59 033 0	12 7	338 651 0	23 4
C Management and admin of org	51 000 0	5 1	1 100 0	0 3	52 100 0	3 6	50 350 0	5 1	1 325 0	0 3	51 675 0	3 6
Total	1 001 300 0	100 0	432 650 0	100 0	1 433 950 0	100 0	979 968 0	100 0	465 358 0	100 0	1 445 326 0	100 0
Reconciliation - Gross budget estimates												
Total from above	1 001 300 0		432 650 0		1 433 950 0		979 968 0		465 358 0		1 445 326 0	
Less Programmes	(690 000 0)		(380 000 0)		(1 070 000 0)		(650 000 0)		(405 000 0)		(1 055 000 0)	
Agencies	(100 000 0)		(30 000 0)		(130 000 0)		(105 000 0)		(33 000 0)		(138 000 0)	
Subtotal	211 300 0		22 650 0		233 950 0		224 968 0		27 358 0		252 326 0	
Add Reimbursement for serv			9 200 0		9 200 0				10 144 0		10 144 0	
Income to the budget	20 000 0				20 000 0		20 500 0				20 500 0	
Total gross budget estimates	231 300 0		31 850 0		263 150 0		245 468 0		37 502 0		282 970 0	

See table 6 Use of resources

See table 1 Gross budget estimates
See table I Total gross approp by org unit
See table II Total gross approp exp cat

See table IV(a) Other resource estimates
See table IV(b) Other resource estimates

DP/1997/2
E/ICEF/1997/AB/L.3
English
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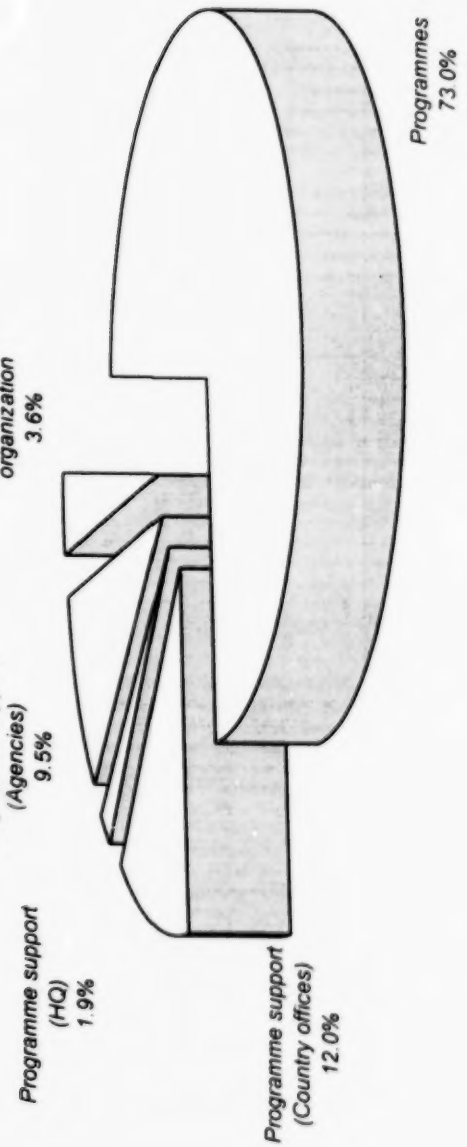
Figure D. Use of total resources, 1998-1999



II. PROPOSALS FOR THE 1998-1999 BIENNIAL SUPPORT BUDGET

A. General

5. xxx

6. xxx

7. xxx

8. xxx

Table 4. Proposed changes in Regular resource post requirements, 1998-1999

Organizational unit	1996-1997	International professional category and above									GS and Other Categ	Grand Total	1998-1999
		USG ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total	Nat Prof			
1996-1997 APPROVED POSTS		3	20	61	83	80	46	20	313	220	1467	2000	
POST INCREASES/DECREASES													
A Programme support													
1 Country offices Total (net) - A.1	1756			(3)	(4)	(4)	(2)		(13)		(50)	(63)	1693
2 Headquarters													
Programme Division	25				(1)				(1)		(1)	(2)	23
Africa Division	30				(1)				(1)		(1)	(2)	28
Arab States Division	11						(1)		(1)		(1)	(2)	9
Asia and the Pacific Division	18					(1)			(1)		(1)	(2)	16
Latin America and the Caribbean Div	10								-		(1)	(1)	9
Europe Division	6												6
Intercountry Programmes Div	6												6
Total (net) - A.2	106	-	-	-	(2)	(1)	(1)	-	(4)	-	(5)	(9)	97
Total (net) - A	1862	-	-	(3)	(6)	(5)	(3)	-	(17)	-	(55)	(72)	1790
B Management and admin of organization													
Executive Direction	21												21
External Relations and Information Div	24					(1)			(1)		(1)	(2)	22
Finance, Personnel and Admin Div	93			(1)		(1)			(2)		(14)	(16)	77
Total (net) - B	138	-	-	(1)	-	(2)	-	-	(3)	-	(15)	(18)	120
Total Post increases/decreases (net)	2000	-	-	(4)	(6)	(7)	(3)	-	(20)	-	(70)	(90)	1910
POST RECLASSIFICATIONS													
A Programme support													
Headquarters													
Programme Division						1	(1)		-			-	
Europe Division						1	(1)		-			-	
Total (net) - A		-	-	-	-	2	(2)	-	-	-	-	-	
B Management and admin of organization													
Executive Direction					(1)	1			-			-	
External Relations and Information Div							1	(1)	-			-	
Total (net) - B		-	-	-	(1)	1	1	(1)	-	-	-	-	
Total Post reclassifications (net)		-	-	-	(1)	3	(1)	(1)	-	-	-	-	
Total Changes (net)	2000	-	-	(4)	(7)	(4)	(4)	(1)	(20)	-	(70)	(90)	1910
1998-1999 PROPOSED POSTS		3	20	57	76	76	42	19	293	220	1397	1910	

See table 2 Regular resource posts
See table III Posts for Regular resources

Figure E. Posts by category and appropriation line, 1998-1999

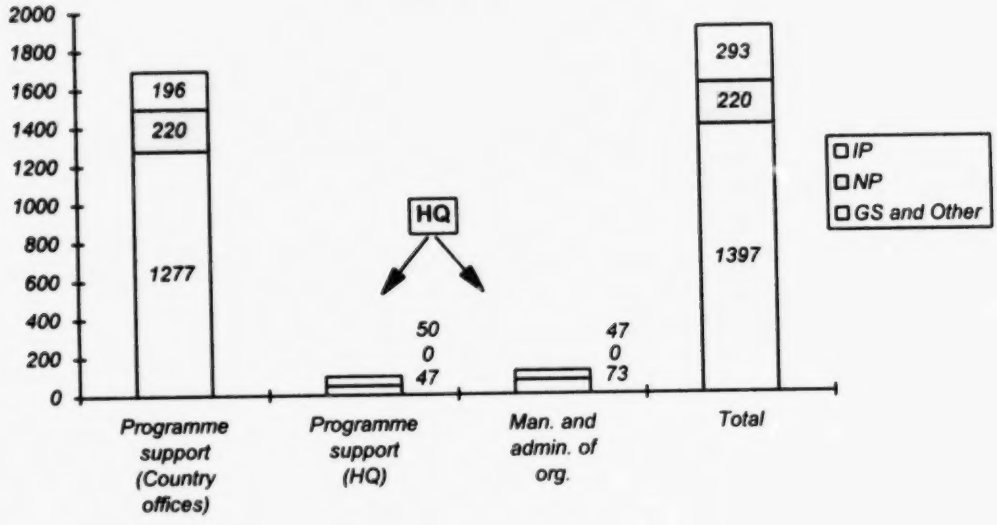


Figure F. Expenditures by category, 1998-1999

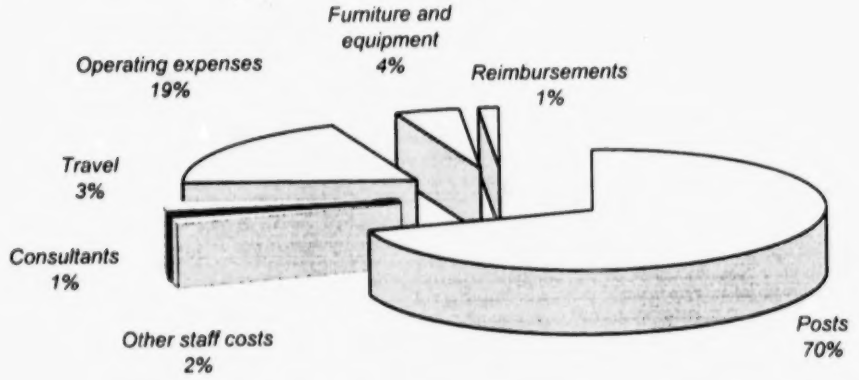


Table 5. Estimated distribution of EDP requirements, 1998-1999

(Thousands of United States dollars)

Purpose	Staff costs	Contractual services: Systems develop.	Contractual services: Maint. services	Acquis. hard.,soft. supplies	Other	Total
I. RECURRENT MAINTENANCE						
1996-1997	1 500.0	-	300.0	300.0	10.0	2 110.0
1998-1999	1 590.0	-	320.0	300.0	10.0	2 220.0
II. DEVELOPMENT OF MAJOR SYSTEMS						
Budget system						
1996-1997	-	400.0	-	200.0	10.0	610.0
1998-1999	-	100.0	-	-	-	100.0
Programme management system						
1996-1997	-	50.0	-	-	-	50.0
1998-1999	-	200.0	-	300.0	-	500.0
Subtotal: II. Development of systems						
1996-1997	-	450.0	-	200.0	10.0	660.0
1998-1999	-	300.0	-	300.0	-	600.0
III. GRAND TOTAL						
1996-1997	1 500.0	450.0	300.0	500.0	20.0	2 770.0
1998-1999	1 500.0	450.0	300.0	500.0	20.0	2 770.0

B Programme support

Table 6. Use of resources: Estimated regional distribution of Programmes and Programme Support

(Thousands of United States dollars)

	1996 - 1997						1998 - 1999					
	Regular resources $	%	Other resources $	%	Total resources $	%	Regular resources $	%	Other resources $	%	Total resources $	%
AFRICA												
A Programmes	315 000 0		130 000 0		445 000 0		296 500 0		135 000 0		431 500 0	
B Programme support												
Country offices	56 750 0		6 000 0		62 750 0		64 725 0		6 960 0		71 685 0	
Africa Division	7 200 0		680 0		7 880 0		7 102 0		721 0		7 823 0	
Subtotal - Prog support	63 950 0		6 680 0		70 630 0		71 827 0		7 681 0		79 508 0	
Total Africa	378 950 0	37 8	136 680 0	31 6	515 630 0	36 0	368 327 0	37 6	142 681 0	30 7	511 008 0	35 4
ARAB STATES												
A Programmes	55 000 0		100 000 0		155 000 0		52 000 0		110 000 0		162 000 0	
B Programme support												
Country offices	20 750 0		5 000 0		25 750 0		23 115 0		6 383 0		29 498 0	
Arab States Division	2 400 0		500 0		2 900 0		2 067 0		890 0		2 957 0	
Subtotal - Prog support	23 150 0		5 500 0		28 650 0		25 182 0		7 273 0		32 455 0	
Total Arab States	78 150 0	7 8	105 500 0	24 4	183 650 0	12 8	77 182 0	7 9	117 273 0	25 2	194 455 0	13 5
ASIA AND THE PACIFIC												
A Programmes	231 000 0		60 000 0		291 000 0		218 000 0		60 000 0		278 000 0	
B Programme support												
Country offices	31 300 0		3 000 0		34 300 0		33 740 0		3 360 0		37 100 0	
Asia and the Pacific Division	4 000 0		420 0		4 420 0		3 763 0		446 0		4 209 0	
Subtotal - Prog support	35 300 0		3 420 0		38 720 0		37 503 0		3 806 0		41 309 0	
Total Asia and the Pacific	266 300 0	26 6	63 420 0	14 7	329 720 0	23 0	255 503 0	26 1	63 806 0	13 7	319 309 0	22 1
LATIN AMERICA AND THE CARIBBEAN												
A Programmes	52 000 0		90 000 0		142 000 0		49 000 0		100 000 0		149 000 0	
B Programme support												
Country offices	21 900 0		4 500 0		26 400 0		23 240 0		5 577 0		28 817 0	
Latin America and the Caribbean Division	2 500 0		850 0		3 350 0		2 279 0		1 060 0		3 339 0	
Subtotal - Prog support	24 400 0		5 350 0		29 750 0		25 519 0		6 637 0		32 156 0	
Total Latin America and the Caribbean	76 400 0	7 6	95 350 0	22 0	171 750 0	12 0	74 519 0	7 6	106 637 0	22 9	181 156 0	12 5

	1996 - 1997						1998 - 1999					
	Regular resources $	%	Other resources $	%	Total resources $	%	Regular resources $	%	Other resources $	%	Total Resources $	%
EUROPE												
A Programmes	27 000 0				27 000 0		25 000 0				25 000 0	
B Programme support												
Country offices	5 500 0				5 500 0		6 654 0				6 654 0	
Europe Division	900 0				900 0		900 0				900	
Subtotal - Prog support	6 400 0		-		6 400 0		7 554 0		-		7 554 0	
Total Europe	33 400 0	3 3			33 400 0	2 3	32 554 0	3 3			32 554 0	2 3
INTERCOUNTRY												
A Programmes	10 000 0				10 000 0		9 500 0				9 500 0	
B Programme support												
Intercountry Programmes Division	900 0				900 0		954 0				954 0	
Total Intercountry	10 900 0	1 1			10 900 0	0 8	10 454 0	1 1			10 454 0	0 7
Programme Division	6 200 0	0 6	600 0	0 1	6 800 0	0 5	5 989 0	0 6	636 0	0 1	6 625 0	0 5
TOTAL												
A Programmes	690 000 0		380 000 0		1 070 000 0		650 000 0		405 000 0		1 055 000 0	
B Programme support												
Country offices	136 200 0		18 500 0		154 700 0		151 474 0		22 280 0		173 754 0	
Headquarters support	24 100 0		3 050 0		27 150 0		23 054 0		3 753 0		26 807 0	
Subtotal - HWG Prog sup	160 300 0		21 550 0		181 850 0		174 528 0		26 033 0		200 561 0	
Subtotal HWG Prog and Prog sup	850 300 0	84 9	401 550 0	92 8	1 251 850 0	87 3	824 528 0	84 1	431 033 0	92 6	1 255 561 0	86 9
Agency support	100 000 0	10 0	30 000 0	6 9	130 000 0	9 1	105 000 0	10 7	33 000 0	7 1	138 000 0	9 5
Total Programmes and Prog support	950 300 0	94 9	431 550 0	99 7	1 381 850 0	96 4	929 528 0	94 9	464 033 0	99 7	1 393 561 0	96 4
C Management and admin of org	51 000 0	5 1	1 100 0	0 3	52 100 0	3 6	50 350 0	5 1	1 325 0	0 3	51 675 0	3 6
GRAND TOTAL	1 001 300 0	100 0	432 650 0	100 0	1 433 950 0	100 0	979 878 0	100 0	465 358 0	100 0	1 445 236 0	100 0

See table 3 Use of resources

1. Overall

9. xxx

10. xxx

2. Country offices

11. xxx

12. xxx

3. Headquarters

13. xxx

14. xxx

C. Management and administration of the organization

15. xxx

16. xxx

17. xxx

III DRAFT APPROPRIATIONS DECISION

18. In light of the above, the Chief Executive recommends that the Executive Board adopt the following decision:

The Executive Board

Having considered the 1998-1999 biennial support budget estimates of the Harmonization Working Group, as contained in document ..... (relevant organization document reference).

1. Approves gross appropriations in the amount of $ 245,468,000 for the purposes indicated below and resolves that the income estimates of $ 20,500,000 shall be used to offset the gross appropriations, resulting in estimated net appropriations of $224,968,000:

1998-1999 Biennial Support Budget
(Thousands of United States dollars)

Programme support:	
Country offices	171 974.0
Headquarters	23 144.0
Subtotal	195 118.0
Management and administration of the organization	50 350.0
Total gross appropriations	245 468.0
Less: Estimated income to the budget	20 500.0
Estimated net appropriations	224 968.0

2. Authorizes the Chief Executive to redeploy resources between appropriation lines up to a maximum of 5 per cent of the appropriation to which the resources are redeployed.

IV. SUMMARY TABLES

Note: References to tables numbered with arabic numerals refer to tables contained in chapters I - III. References to tables numbered with roman numerals refer to summary tables in chapter IV.

Table I. Proposed gross budget estimates by organizational unit within appropriation line and estimated income to the budget, 1998-1999
(Thousands of United States dollars)

Appropriation line / Organizational unit	1996-1997 approved appropriations	Volume Amount	%	Cost	1998-1999 estimates
A. Programme support					
1. Country offices					
Africa	65 100 0	(1 750 0)	(2 7)	10 136 0	73 486 0
Arab States	23 800 0	(980 0)	(4 1)	3 423 0	26 243 0
Asia and the Pacific	35 900 0	(1 700 0)	(4 7)	4 104 0	38 304 0
Latin America and the Caribbean	25 100 0	(2 160 0)	(8 6)	3 441 0	26 381 0
Europe	6 300 0	390 0	6 2	870 0	7 560 0
Subtotal	156 200 0	(6 200 0)	(4 0)	21 974 0	171 974 0
2. Headquarters					
Programme Division	6 200 0	(550 0)	(8 9)	339 0	5 989 0
Africa Division	7 200 0	(500 0)	(6 9)	402 0	7 102 0
Arab States Division	2 400 0	(450 0)	(18 8)	117 0	2 067 0
Asia and the Pacific Division	4 000 0	(450 0)	(11 3)	213 0	3 763 0
Latin America and the Caribbean Division	2 500 0	(350 0)	(14 0)	129 0	2 279 0
Europe Division	900 0		-	90 0	990 0
Intercountry Programmes Division	900 0		-	54 0	954 0
Subtotal	24 100 0	(2 300 0)	(9 5)	1 344 0	23 144 0
Subtotal: Programme support	180 300 0	(8 500 0)	(4 7)	23 318 0	195 118 0
B. Management and admin. of organization					
Executive Direction	5 500 0		-	330 0	5 830 0
External relations and Information Division	10 500 0	(500 0)	(4 8)	600 0	10 600 0
Finance, Personnel and Admin. Division	35 000 0	(3 000 0)	(8 6)	1 920 0	33 920 0
	51 000 0	(3 500 0)	(6 9)	2 850 0	50 350 0
TOTAL GROSS APPROPRIATION	231 300 0	(12 000 0)	(5 2)	26 168 0	245 468 0
Estimated income					
Programme support - Country Offices					
Government local office cost contrib.	(20 000 0)				(20 500 0)
TOTAL NET APPROPRIATIONS	211 300 0				224 968 0

See table 1. Gross budget estimates...
See table 3. Total gross budget estimates - Regular resources
See table II. Total gross approp. by exp. cat.

Table II. Proposed gross budget estimates by expenditure category within appropriation line, 1998-1999
(Thousands of United States dollars)

Appropriation line / Organizational unit	1996-1997 approved appropriations	Volume Amount	%	Cost	1998-1999 estimates
A Programme support					
1 Country offices					
Posts	112 400 0	(4 300 0)	(3 8)	15 835 0	123 935 0
Other staff costs	2 900 0	(200 0)	(6 9)	395 0	3 095 0
Consultants	1 200 0	-	-	176 0	1 376 0
Travel	3 700 0	(200 0)	(5 4)	515 0	4 015 0
Operating expenses	27 600 0	(1 000 0)	(3 6)	3 898 0	30 498 0
Furniture and equipment	8 400 0	(500 0)	(6 0)	1 155 0	9 055 0
Subtotal	156 200 0	(6 200 0)	(4 0)	21 974 0	171 974 0
2 Headquarters					
Posts	16 900 0	(1 800 0)	(10 7)	942 0	16 042 0
Other staff costs	150 0	-	-	9 0	159 0
Consultants	200 0	-	-	12 0	212 0
Travel	950 0	(50 0)	(5 3)	54 0	954 0
Operating expenses	5 300 0	(400 0)	(7 5)	294 0	5 194 0
Furniture and equipment	600 0	(50 0)	(8 3)	33 0	583 0
Subtotal	24 100 0	(2 300 0)	(9 5)	1 344 0	23 144 0
B Management and admin of organization					
Posts	33 500 0	(2 800 0)	(8 4)	1 842 0	32 542 0
Other staff costs	300 0	200 0	66 7	30 0	530 0
Consultants	400 0	-	-	24 0	424 0
Travel	1 700 0	(100 0)	(5 9)	96 0	1 696 0
Operating expenses	10 900 0	(700 0)	(6 4)	612 0	10 812 0
Furniture and equipment	1 100 0	(50 0)	(4 5)	63 0	1 113 0
Reimbursements	3 100 0	(50 0)	(1 6)	183 0	3 233 0
Subtotal	51 000 0	(3 500 0)	(6 9)	2 850 0	50 350 0
TOTAL					
Posts	162 800 0	(8 900 0)	(5 5)	18 619 0	172 519 0
Other staff costs	3 350 0	-	-	434 0	3 784 0
Consultants	1 800 0	-	-	212 0	2 012 0
Travel	6 350 0	(350 0)	(5 5)	665 0	6 665 0
Operating expenses	43 800 0	(2 100 0)	(4 8)	4 804 0	46 504 0
Furniture and equipment	10 100 0	(600 0)	(5 9)	1 251 0	10 751 0
Reimbursements	3 100 0	(50 0)	(1 6)	183 0	3 233 0
TOTAL GROSS APPROPRIATIONS	231 300 0	(12 000 0)	(5 2)	26 168 0	245 468 0

See table 1: Gross budget estimates
See table 3: Total gross budget estimates - Regular resources
See table I: Total gross approp. by org. unit

Table III. Estimated distribution of posts by source of funds and organizational unit, 1998-1999

Source of funds/ Organizational unit	International Professional category and above									GS and Other Categ	Grand Total
	USG ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total	Nat. Prof.		
A. Programme support											
1. Country offices											
1996-1997											
Regular resources		11	40	47	58	37	16	209	220	1327	1756
Other res. rel. to Prog.				1	2	1		4	35	330	369
Total	-	11	40	48	60	38	16	213	255	1657	2125
1998-1999											
Regular resources		11	37	43	54	35	16	196	220	1277	1693
Other res. rel. to Prog.				1	2	2		5	40	350	395
Total	-	11	37	44	56	37	16	201	260	1627	2088
2 Headquarters											
Programme Division											
1996-1997											
Regular resources		1	3	5	2	1	1	13		12	25
Other res. rel. to Prog.					1			1		2	3
Total	-	1	3	5	3	1	1	14	-	14	28
1998-1999											
Regular resources		1	3	4	3		1	12		11	23
Other res. rel. to Prog.					1			1		2	3
Total	-	1	3	4	4	-	1	13	-	13	26
Africa Division											
1996-1997											
Regular resources		1	3	6	5			15		15	30
Other res. rel. to Prog.					1	1		2		1	3
Total	-	1	3	6	6	1	-	17	-	16	33
1998-1999											
Regular resources		1	3	5	5			14		14	28
Other res. rel. to Prog.					1	1		2		1	3
Total	-	1	3	5	6	1	-	16	-	15	31
Arab States Division											
1996-1997											
Regular resources		1	1	2	1	1		6		5	11
Other res. rel. to Prog.						1		1		2	3
Total	-	1	1	2	1	2	-	7	-	7	14
1998-1999											
Regular resources		1	1	2	1			5		4	9
Other res. rel. to Prog.						1	1	2		3	5
Total	-	1	1	2	1	1	1	7	-	7	14

Source of funds/ Organizational unit	International Professional category and above									GS and Other Categ.	Grand Total
	USG ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total	Nat. Prof.		
Asia and the Pacific Division											
1996-1997											
Regular resources		1	2	2	3	1		9		9	18
Other res. rel. to Prog.					1			1		1	2
Total	-	1	2	2	4	1	-	10	-	10	20
1998-1999											
Regular resources		1	2	2	2	1		8		8	16
Other res. rel. to Prog.					1			1		1	2
Total	-	1	2	2	3	1	-	9	-	9	18
Latin America and the Caribbean Division											
1996-1997											
Regular resources		1	2	1	1			5		5	10
Other res. rel. to Prog.				1	1	1		3		3	6
Total	-	1	2	2	2	1	-	8	-	8	16
1998-1999											
Regular resources		1	2	1	1			5		4	9
Other res. rel. to Prog.				1	1	1		3		4	7
Total	-	1	2	2	2	1	-	8	-	8	16
Europe Division											
1996-1997											
Regular resources			1	1		1		3		3	6
1998-1999											
Regular resources			1	1	1			3		3	6
Intercountry Programmes Division											
1996-1997											
Regular resources			1	1		1		3		3	6
1998-1999											
Regular resources			1	1		1		3		3	6
Total: A.2 Prog. support - HQ											
1996-1997											
Regular resources	-	5	13	18	12	5	1	54	-	52	106
Other res. rel. to Prog.	-	-	-	1	4	3	-	8	-	9	17
Total - A.2	-	5	13	19	16	8	1	62	-	61	123
1998-1999											
Regular resources	-	5	13	16	13	2	1	50	-	47	97
Other res. rel. to Prog.	-	-	-	1	4	3	1	9	-	11	20
Total - A.2	-	5	13	17	17	5	2	59	-	58	117
Total: A. Programme support											
1996-1997											
Regular resources	-	16	53	65	70	42	17	263	220	1379	1862
Other res. rel. to Prog.	-	-	-	2	6	4	-	12	35	339	386
Total - A	-	16	53	67	76	46	17	275	255	1718	2248
1998-1999											
Regular resources	-	16	50	59	67	37	17	246	220	1324	1790
Other res. rel. to Prog.	-	-	-	2	6	5	1	14	40	361	415
Total - A	-	16	50	61	73	42	18	260	260	1685	2205

Source of funds/ Organizational unit	International Professional category and above								Nat Prof.	GS and Other Categ.	Grand Total
	USG ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total			
B. Management and admin. of org.											
Executive Direction											
1996-1997											
Regular resources	3	1	1	5	1			11		10	21
1998-1999											
Regular resources	3	1	1	4	2			11		10	21
External Relations and Info. Div.											
1996-1997											
Regular resources		1	2	2	4	2	1	12		12	24
1998-1999											
Regular resources		1	2	2	3	3		11		11	24
Finance, Personnel and Admin. Div.											
1996-1997											
Regular resources		2	5	11	5	2	2	27		66	93
Other res. rel. to Prog.					1	1		2		4	6
Other res. rel. to reimb.				2	6	7	4	19		22	41
Total	-	2	5	13	12	10	6	48	-	92	140
1998-1999											
Regular resources		2	4	11	4	2	2	25		52	77
Other res. rel. to Prog.					1	1		2		5	7
Other res. rel. to reimb.				2	6	8	4	20		23	43
Total	-	2	4	13	11	11	6	47	-	80	127
Total: B. Man. and admin. of org.											
1996-1997											
Regular resources	3	4	8	18	10	4	3	50	-	88	138
Other res. rel. to Prog.	-	-	-	-	1	1	-	2	-	4	6
Other res. rel. to reimb.	-	-	-	2	6	7	4	19	-	22	41
Total - B	3	4	8	20	17	12	7	71	-	114	185
1998-1999											
Regular resources	3	4	7	17	9	5	2	47	-	73	120
Other res. rel. to Prog.	-	-	-	-	1	1	-	2	-	5	7
Other res. rel. to reimb.	-	-	-	2	6	8	4	20	-	23	43
Total - B	3	4	7	19	16	14	6	69	-	101	170
Grand Total											
1996-1997											
Regular resources	3	20	61	83	80	46	20	313	220	1467	2000
Other res. rel. to Prog.	-	-	-	2	7	5	-	14	35	343	392
Other res. rel. to reimb.	-	-	-	2	6	7	4	19	-	22	41
TOTAL	3	20	61	87	93	58	24	346	255	1832	2433
1998-1999											
Regular resources	3	20	57	76	76	42	19	293	220	1397	1910
Other res. rel. to Prog.	-	-	-	2	7	6	1	16	40	366	422
Other res. rel. to reimb.	-	-	-	2	6	8	4	20	-	23	43
TOTAL	3	20	57	80	89	56	24	329	260	1786	2375

See table 2 : Regular resource posts...
See table 4: Proposed changes...

Table IV (a). Other resource estimates by source of funds and organizational unit, 1998-1999

(Thousands of United States dollars)

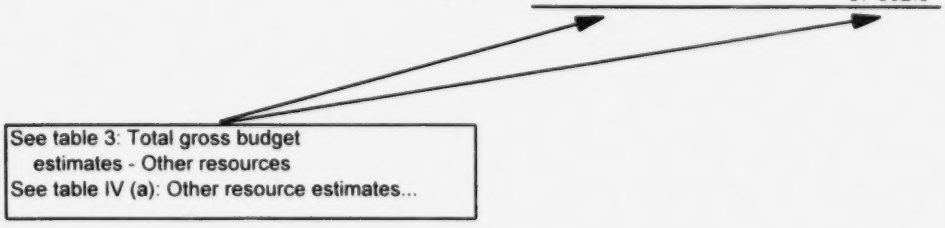
Source of funds/ Organizational unit	1996-1997 estimates	Increase/ decrease	1998-1999 estimates
I. OTHER RESOURCES RELATING TO PROGRAMMES			
A. Programme support			
1. Country offices			
Africa	6 000.0	960.0	6 960.0
Arab States	5 000.0	1 383.0	6 383.0
Asia and the Pacific	3 000.0	360.0	3 360.0
Latin America and the Caribbean	4 500.0	1 077.0	5 577.0
Subtotal	18 500.0	3 780.0	22 280.0
2. Headquarters			
Programme Division	600.0	36.0	636.0
Africa Division	680.0	41.0	721.0
Arab States Division	500.0	390.0	890.0
Asia and the Pacific Division	420.0	26.0	446.0
Latin America and the Caribbean Division	850.0	210.0	1 060.0
Subtotal	3 050.0	703.0	3 753.0
Subtotal: Programme support	21 550.0	4 483.0	26 033.0
B. Management and administration of organization			
Finance, Personnel and Administration Division	1 100.0	225.0	1 325.0
Subtotal: I - Other res. rel. to prog.	22 650.0	4 708.0	27 358.0
II. OTHER RESOURCES RELATING TO REIMBURSEMENTS			
Finance, Personnel and Administration Division	9 200.0	944.0	10 144.0
Grand total	31 850.0	5 652.0	37 502.0

See table 3: Total gross budget estimates - Other resources
See table IV(b) : Other resource estimates...

Table IV (b). Other resource estimates by source of funds and expenditure category, 1998-1999

(Thousands of United States dollars)

Source of funds/ Expenditure category	1996-1997 estimates	Increase/ decrease	1998-1999 estimates
I. OTHER RESOURCES RELATING TO PROGRAMMES			
A. Programme support			
1. Country offices			
Posts	14 800.0	3 110.0	17 910.0
Other staff costs	300.0	45.0	345.0
Consultants	300.0	45.0	345.0
Travel	400.0	60.0	460.0
Operating expenses	2 500.0	433.0	2 933.0
Furniture and equipment	200.0	87.0	287.0
Subtotal	18 500.0	3 780.0	22 280.0
2. Headquarters			
Posts	2 650.0	640.0	3 290.0
Other staff costs	30.0	-	30.0
Travel	20.0	-	20.0
Operating expenses	330.0	41.0	371.0
Furniture and equipment	20.0	22.0	42.0
Subtotal	3 050.0	703.0	3 753.0
Subtotal: Programme support	21 550.0	4 483.0	26 033.0
B. Management and administration of organization			
Posts	970.0	196.0	1 166.0
Other staff costs	20.0	-	20.0
Operating expenses	100.0	17.0	117.0
Furniture and equipment	10.0	12.0	22.0
Subtotal	1 100.0	225.0	1 325.0
Subtotal: I - Other res. rel. to prog.	22 650.0	4 708.0	27 358.0
II. OTHER RESOURCES RELATING TO REIMBURSEMENTS			
Headquarters (Finance, Personnel and Admin. Div.)			
Posts	7 000.0	770.0	7 770.0
Other staff costs	400.0	24.0	424.0
Operating expenses	1 500.0	111.0	1 611.0
Furniture and equipment	100.0	27.0	127.0
Reimbursements	200.0	12.0	212.0
Subtotal: II - Other res. rel to reimb.	9 200.0	944.0	10 144.0
Grand total	31 850.0	5 652.0	37 502.0



Annex I

TERMINOLOGY

Terms upon which common agreement has been reached and their corresponding definitions are given below.

Appropriation line - Definition similar to those included in the Financial Regulations of UNDP, UNFPA and UNICEF

A subdivision of the appropriation for which a specific amount is shown in the appropriation decision and within which the executive head of an organization is authorized to make transfers without prior approval.

Biennial support budget

The budget of an organization covering Programme support and Management and administration of the organization.

Cost (increase/decrease) - ACC definition

Any increase or decrease in the cost of a resource input in the budget period compared with that in the previous budget period, arising from changes in costs, prices and exchange rates.

Management and administration of organization

Organizational units whose primary function is the maintenance of the identity, direction and well-being of an organization. This will typically include units that carry out the functions of executive direction, organizational policy and evaluation, external relations, information and administration.

Other resources

Resources of a voluntarily funded organization, other than Regular resources, which are received for a specific programme purpose (Other resources relating to programmes) and for the provision of specific services to third parties (Other resources relating to reimbursements).

Other resources relating to programmes

Resources of a voluntarily funded organization, other than Regular resources, which are received for a specific programme purpose that is consistent with the aims and activities of the organization. These will include voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Other resources relating to reimbursements

Resources of a voluntarily funded organization that are received from third parties to cover the cost of providing specific services not related to carrying out Programmes entrusted to it for implementation.

Programmes

Direct inputs needed to achieve the objectives of a specific project or programme for development cooperation. This may typically include experts, support personnel, supplies and equipment, subcontracts, cash assistance and individual or group training.

Programme support

Organizational units whose primary function is the development, formulation, delivery and evaluation of an organization's programmes. This will typically include units that provide backstopping of programmes either on a technical, thematic, geographic, logistical or administrative basis.

Regular resources

Resources of a voluntarily funded organization that are co-mingled and untied. These will include pledges of voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Various cost adjustments

Cost increases/decreases attributable to changes in rates or conditions not tied to currency or annual inflation adjustments.

Volume (increase/decrease)

Any increase or decrease in resource requirements attributable to changes in the level or nature of activities carried out by an organization during the current budget period and those proposed for the forthcoming budget period. Volume is expressed using the same cost factors applicable for the approved appropriations to permit direct comparison of these changes relative to the level of activities approved for the current budget period.

Annex II

METHODOLOGY

1. The methodology involves several sequential steps in calculating estimates. These calculations are effected separately for each year of a biennium. Essentially, the methodology is to take the approved appropriations for first year of the current biennium and add the volume and cost adjustments, which results in the estimates required for the first year of the proposed biennium. Similarly, the approved appropriations for the second year of the current biennium are updated to result in the estimates required for the second year of the proposed biennium. It should be borne in mind that, normally, the time during which estimates are prepared for the proposed Biennial support budget is the first months of the second year of the current biennium. A description of each sequential step follows.

I. VOLUME ADJUSTMENTS

2. First, using the approved appropriations as a base, the real increases or decreases in requirements are calculated and designated as volume changes. Volume changes, as defined, represent the controllable elements in the estimates, subject to the executive head's assessment of what the organization requires to perform the task with which it is entrusted. Such volume changes are calculated at the same price levels as the approved appropriations in order to facilitate comparison with the currently approved base.

II. VARIOUS COST ADJUSTMENTS

3. To the approved appropriations and volume changes are added cost increases or decreases attributable to changes in rates or conditions not tied to currency or annual inflation adjustments. Except for within-grade increments, they reflect only known changes that have occurred in the two years since the preparation of the last Biennial support budget. Such cost factors include, for example, ICSC decisions of the International Civil Service Commission on a variety of staff entitlements (e.g., dependency allowance, education grant), and changes in the average step of posts by grade level. These adjustments may also include estimates to cover within-grade increments for staff if the experience of the organization so warrants. Normally, but not exclusively, such cost adjustments apply to staff costs. An example of this type of cost adjustment for operating expenses would be a change in rate per square foot on relocation of premises.

III. CURRENCY ADJUSTMENTS

4. Currency adjustments are then calculated, by year, on the total of approved appropriations, volume and various cost adjustments. These currency adjustments would normally be the difference between the United Nations operational rate of exchange in effect on, for example, 1 April of the year preceding the current biennium and for example, on 1 April of the second year of the current biennium, i.e., the time of preparation of the proposed Biennial support budget. This factor is of particular importance given the extent of the field offices of the organization, where operating costs vary greatly with the strength or otherwise of the United States dollar.

IV. INFLATION ADJUSTMENT

5. Finally, to complete the picture and to develop the final estimate of requirements for the next biennium, the organization must adjust or estimate, as appropriate, inflation over a four-year period. These adjustments are calculated, by year, on the total of approved appropriations, volume and various cost adjustments, as adjusted for currency; as follows:

(a) For the first year of the current biennium to the first year of the proposed biennium. The existing estimates already embody earlier estimates of inflation. The inflation adjustment for this transition therefore includes:

(i) The difference between the application of earlier estimates and the actual inflation for the first year of the current biennium;
(ii) The difference between the application of earlier estimates and the revised inflation projection for the second year of the current biennium; and
(iii) The inflation projection for the first year of the proposed biennium.

(b) For the second year of the current biennium to the second year of the proposed biennium:

(i) - (iii) as in (a) above; and
(iv) the inflation projection for the second year of the proposed biennium.

6. In order to arrive at these estimates of inflation, four inflation factors for each location are adopted for each year:

(a) The first inflation factor pertains to the estimated movement of post adjustment for international Professional staff;

(b) The second inflation factor pertains to international travel and common staff costs for international Professional staff (this is the same for all locations);

(c) The third factor encompasses salaries and common staff costs for local staff, i.e., in the national Professional category and General Service and other categories, which may vary significantly from location to location; and

(d) The fourth factor relates to all other costs, such as operating expenses.

7. Within this general framework, New York and Geneva are treated separately from field offices. For these two locations, the rates used are the same as those used by the United Nations unless specific contractual commitments differ.

8. Apart from a limited number of cost elements such as international travel and the common staff costs of international staff, the inflation factors for field offices must be location-specific. Estimates are compared with past experience and current global patterns and/or information that is available and published before being applied to the budget estimates.

PART THREE

Annex III

RESOURCE PLAN

1. The resource plan:
(a) Compares the proposed biennium to the current biennium;
(b) Covers total resources available to the organization, broken down between Regular resources and Other resources;
(c) Is divided into three sections:

(i) Resources available. This section is intended to provide information on total resources expected to be available during the biennium;

(ii) Use of resources. This section is intended to provide information on how resources relating to programmes will be used. Activities are divided into three major groups, based on the degree of proximity of the function to the benefits derived by recipient countries. The latter two are considered support activities:

Programmes: Direct programme and project inputs
Support activities
Programme support: units whose primary function is to support programmes
Management and administration of organization: units whose primary function is the maintenance of the organization

In the case of UNDP, the Use of resources is first broken down between (a) resources used to support its own activities and (b) resources used to support the United Nations system as a whole;

(iii) Reconciliation to gross budget estimates: Since not all elements listed under the Use of resources section are covered in detail by the budget estimates or, conversely, not all elements included in the budget estimates are related to programmes (e.g., income from services rendered to external clients), this section is intended to provide a reconciliation between amounts included under the Use of resources section and amounts requested for appropriation in respect of Regular resources and similar estimates relating to Other resources.

CHANGES RESULTING FROM HARMONIZATION

UNDP: Separate estimates for Regular resources and Other resources
Inclusion of Resources available section
Inclusion of Reconciliation to gross budget estimates section
Redefinition of "Programme support and development activities":
Support to operational activities of the United Nations (including a part of the Office of United Nations System Support and Services), IAPSO and UNV are grouped with the newly approved programme support line for resident coordinators in view of the unique character of these activities.
Redefinition of "management and administrative support" to conform to new breakdown for "Programme support" and "Management and administration of organization" (details below)

UNFPA: Separate estimates for Regular resources and Other resources under Use of resources
Inclusion of Reconciliation to gross budget estimates section
Redefinition of "Programme" to exclude agency costs and part of technical support services

UNICEF: Separate estimates for Regular resources and Other resources
Inclusion of Resources available section
Inclusion of Reconciliation to gross budget estimates section

(See 1996-1997 cross organizational comparison for working purposes.
Note: To compare UNICEF with UNFPA and UNDP, percentages relating to agency estimates must be distributed as follows:
"Technical support" to "Programme support: headquarters/regional offices"
"Administrative and operational support" to "Management and administration of organization")

2. A summary of the components of the Use of resources section is given below.

I. PROGRAMMES

A. Country programmes/projects

1. Country activities
UNDP: Target for resource assignments from core (TRAC)
Assigned immediately to countries (line 1.1.1)
Assigned regionally for subsequent country application (line 1.1.2)
UNFPA: Country activities
UNICEF: Country programmes

2. Response to emergency situations
UNDP: Resources for development in countries in special situations (line 1.1.3)
UNFPA: (Redeployment of programme resources)
UNICEF: Emergency Programme Fund

B. Intercountry programmes/projects and/or programmes non-specific to country

1. Intercountry activities
UNDP: Regional (line 1.2)
Global, interregional and special activities (line 1.3)
UNFPA: Regional activities

Interregional activities
UNICEF: Special adjustment facility for Latin America and the Caribbean, High-income countries, Supplementary funding: Programme funds for the 1990s goals

2. Evaluation
UNDP: Evaluation (line 1.4)
UNFPA: (Carried out as part of regional and interregional activities)
UNICEF: Category 4 - Research and studies

3. Institutional support
UNDP: CGIAR, UNDP-UNSO/UNEP partnership
UNFPA: None
UNICEF: Category 4 - Co-funding of joint programmes

4. Advocacy/Awareness creation
UNDP: Human Development Report
UNFPA: State of the World Population Report
UNICEF: State of the World Children's Report, Progress of Nations

5. Other
UNDP: Special resources for TCDC (line 1.5)

CHANGES RESULTING FROM HARMONIZATION

UNDP: Institutional support (CGIAR and UNDP/UNSO-UNEP Partnership) moved from "PSDA: Programme support" to Programmes;
Human Development Report moved from "PSDA (Programme Development)" to Programmes
UNFPA: Technical Support Services/Country Support Teams (TSS/CST) allocated among both programme and programme support
UNICEF: Category 4 estimates moved from "Programme support" to "Programmes"

II. PROGRAMME SUPPORT

A. Headquarters

1. Regional support
UNDP: Regional Bureaux
UNFPA: Regional Divisions
UNICEF: see "Field" below

2. Substantive support
UNDP: Bureau for Policy and Programme Support
Emergency Response Division
PSDA (Programme Development) carried out by headquarters units
UNFPA: Technical and Evaluation Division
UNICEF: Programme Division
Office of Emergency Programme
Supply Division
Programme manager system (PROMS)
(Technical/substantive support also provided by regional offices)

B. Field

UNDP: Country offices
PSDA (Programme development) - Administered as non-specific to country
PSDA (Development Support Services) - Administered as non-specific to country
UNFPA: Country offices
UNICEF: Regional offices (Also provide technical/substantive support)
Country offices

C. Agencies

1. Technical support
UNDP: Technical support services (TSS-1 for larger agencies & TSS-2 for all agencies - line 2.3)
United Nations system support for policy and programme development (SPPD) (equivalent of TSS-1 for smaller agencies - line 2.2)
Other (transitional - line 2.4)
UNFPA: Technical support services/Country support seams (TSS/CST) - allocated among both programme and programme support.
UNICEF: Carried out by units listed under Headquarters/Regional offices "substantive support"

2. Administrative and operational support
UNDP: Resources for Implementation (line 1.6)
UNFPA: Administrative and Operational Services

UNICEF: Carried out by administrative units listed under "Management and administration of organization "

CHANGES RESULTING FROM HARMONIZATION

UNDP: PSDA Programme development moved to Programme support
PSDA Development Support Services moved to Programme support
PSDA National execution moved to Programme support
All organizational units listed under headquarters and field above moved to Programme support

III. MANAGEMENT AND ADMINISTRATION OF THE ORGANIZATION

A. Executive direction
UNDP: Office of the Administrator
UNFPA: Office of the Executive Director
UNICEF: Office of the Executive director

B. Policy
UNDP: Office of Evaluation and Strategic Planning
UNFPA: Planning and Coordination Division (Planning and Statistics, Coordination Unit and Library Services)
UNICEF: Office of Evaluation, Policy and Strategic Planning

C. External relations and information

UNDP: Bureau for Resources and External Affairs
UNFPA: Information and External Relations Division
UNICEF[1]: Office of Secretary of the Board
Programme Funding Office
Division of Public Affairs (prior to 1997)
Division of Information (prior to 1997)
Division of Communication (effective 1997)
Office of United Nations Affairs and External Relations (effective 1997)

D. Administration

UNDP: Office of the Assistant Administrator, Bureau of Finance and Administration
Division of Finance
Division for Administrative and Information Services
Division of Personnel
Division for Audit and Management Review
UNFPA: Division for Finance, Personnel and Administration
Planning and Coordination Division (Management Information Systems, Internal Audit Branch, and Training Unit)
UNICEF: Division of Financial and Administrative Management
Information Resources Management
Division of Human Resources
Office of Internal Audit
Management Task Force (prior to 1997)

E. Other

UNDP: Geneva Office
UNFPA: Geneva Office
UNICEF: Other headquarters locations

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[1] UNICEF proposes in its revised 1996-1997 budget, the creation of the Office of United Nations Affairs and External Relations and the Division of Communications and the abolishment of the Division of Information, the Division of Public Affairs and the Management Task Force.

1996-1997 Resource plans: cross organizational comparison

(millions of United States dollars)

	UNDP a/						UNFPA						UNICEF					
	Regular resources $	%	Other resources $	%	Total $	%	Regular resources $	%	Other resources $	%	Total $	%	Regular resources $	%	Other resources $	%	Total $	%
Resources available																		
Opening balance	474 7		428 6		903 3		30 0				30 0		83 0		268 0		351 0	
Income																		
Contributions	1 943 0		1 804 9		3 747 9		669 3		30 0		699 3		802 0		587 0		1 389 0	
Greeting Card Op (net income)													345 0		337 0		682 0	
Reimbursement for services			27 3		27 3		27 h/				27		2 0 i/		9 2		11 2	
Total	2 417 7		2 260 8		4 678 5		702 0		30 0		732 0		1 232 0		1 201 2		2 433 2	
Use of resources																		
A Organization's programme and support activities																		
A 1 Programmes	1 255 2 c/	66 6	1 965 4	93 4	3 220 6	80 7	522 6	74 4	29 0	96 7	551 6	75 4	674 0	58 5	898 0	97 2	1 572 0	75 7
A 2 Support activities																		
A 2 1 Programme support																		
Headquarters b/	73 2 d/	3 9	23 9	1 1	97 1	2 4	29 4	4 2			29 4	4 0	68 0	5 9		-	68 0	3 3
Country and regional off b/	216 3 e/	11 5	45 3	2 2	261 6	6 5	67 4	9 6			67 4	9 2	237 0	20 6	26 0	2 8	263 0	12 7
Agencies																		
Technical support	152 6 f/	8 1			152 6	3 8	30 0	4 3			30 0	4 1	k/		k/		k/	
Admin and oper support	97 3	5 2	66 9	3 2	164 2	4 1	22 0	3 1	1 0	3 3	23 0	3 1	l/		l/		l/	
Subtotal	249 9	13 3	66 9	3 2	316 8	7 9	52 0	7 4	1 0	3 3	53 0	7 2	NA		NA		NA	
Total programme support	539 4	28 6	136 1	6 5	675 5	16 9	148 8	21 2	1 0	3 3	149 8	20 5	305 0	26 5	26 0	2 8	331 0	15 9
A 2 2 Man and admin of org	90 1	4 8	2 5	0 1	92 6	2 3	30 6	4 4			30 6	4 2	174 0	15 1			174 0	8 4
Total support activities	629 5	33 4	138 6	6 6	768 1	19 3	179 4	25 6	1 0	3 3	180 4	24 6	479 0	41 5	26 0	2 8	505 0	24 3
Total - A	1 884 7	100 0	2 104 0	100 0	3 988 7	100 0	702 0	100 0	30 0	100 0	732 0	100 0	1 153 0	100 0	924 0	100 0	2 077 0	100 0
B Support to the UN system																		
Resident coordinators	21 0				21 0													
Support to UN operational activities	97 0				97 0													
IAPSO	4 6		3 9		8 5													
UNV	32 8		3 0		35 8													
Total - B	155 4		6 9		162 3		NA		NA		NA		NA		NA		NA	
Total A + B	2 040 1		2 110 9		4 151 0													
Reconciliation - Gross budget estimates																		
Total from above	2 040 1		2 110 9		4 151 0		702 0		30 0		732 0		1 153 0		924 0		2 077 0	
Less Programmes	(1 255 2)		(1 965 4)		(3 220 6)		(522 6)		(29 0)		(551 6)		(674 0)		(898 0)		(1 572 0)	
Resident coordinators	(21 0)				(21 0)		-				-						-	
Agencies	(249 9)		(66 9)		(316 8)		(52 0)		(1 0)		(53 0)						-	
Subtotal	514 0		78 6		592 6		127 4		-		127 4		479 0		26 0		505 0	
Add Reimbursement for services			27 3		27 3										8 9		8 9	
Income to the budget	38 0 g/				38 0		10 0	h/			10 0		44 0	j/ m/	(26 0)		18 0	
Total gross budget estimates	552 0		105 9		657 9		137 4				137 4		523 0		8 9		531 9	

Footnotes to 1996-1997 Resource plans: cross-organizational comparison

a/ Reflects UNDP resources only. Does not include resources of UNCDF, UNRFNRE and UNFSTD, UNSO and UNIFEM
b/ Functions performed by UNICEF regional offices are similar to those performed by UNDP regional bureaux and UNFPA regional divisions.

UNDP
c/ Includes PSDA-Programme support
d/ Includes part of PSDA-Programme development
e/ Includes part of PSDA-Programme development and Development Support Services
f/ Includes PPD, TCS, SPPD and Others
g/ Government local office cost contributions

UNFPA
h/ Estimated net income of $2.7m in respect of procurement services rendered to third parties is credited to regular resources - miscellaneous income (Gross income of $3.1m less expenditures $ 0.4m) As of 1998-1999, direct costs will be reflected under Other resources - Reimbursement for services. Any remaining balance of income will be credited to Regular resources - Income to the budget.
i/ Income: $ 9.0m Regular resources agency AOS costs for UNFPA assistance to government-executed projects ($5.0m) and UNFPA project procurement ($4.0m) and $1.0m Other resources AOS costs

UNICEF
j/ Estimated income of $2.0m in respect of funds-in-trust is credited to regular resources - miscellaneous income. As of 1998-1999, this income will be reflected as Income to the budget
k/ Carried out by headquarters/regional office technical staff
l/ Carried out under A.2.2 Management and administration of organization
m/ Income: Recovery $18.0m for packing and assembly (Supply division); $ 26.0m Recovery - Supplementary funding

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Annex IV

EXPENDITURE CATEGORIES:
PROGRAMME SUPPORT AND MANAGEMENT AND ADMINISTRATION OF ORGANIZATION

1. It has been agreed that the following expenditure categories will be used by UNDP, UNFPA and UNICEF for programme support and management and administration.

Posts
Other staff costs
Consultants
Travel
Operating expenses
Furniture and equipment
Reimbursements

2. The types of expenditure items that will be included in each group are listed below.

3. Since the three organizations are in the process of developing new financial systems, it is recognized that these categories may change as a result. However, it has been decided that any changes will be agreed upon by the three organizations to ensure the continued use of harmonized expenditure categories.

HARMONIZATION - EXPENDITURE CATEGORIES:
PROGRAMME SUPPORT AND MANAGEMENT AND ADMINISTRATION OF ORGANIZATION

Category	Description
Posts	Salaries International Professional National Professional General Service staff Manual worker Common staff costs Dependency allowance Assignment allowance Hardship and mobility allowance Representation allowance Rent supplements Food schemes Contributions to JSPF Medical insurance Medical examinations Medical evacuation Apportioned dispensary costs Staff welfare Compensatory payments Education grants and travel Home leave Security Appointment Reassignment Separation/ termination Ex-gratia payments Reimbursement of income tax Training
Other staff costs	General temporary assistance Temporary assistance - Professional Temporary assistance - General Service Overtime and night differential
Consultants	Consultants International consultants National consultants Corporate consultancy contracts
Travel	Travel on official business Travel of staff to meetings External travel Internal travel

Category	Description
Operating expenses	Contractual services Printing Publications News agency services Audio-visual production Contractual translation System development contracts Packing and assembly - contract labor Information support Rental and maintenance of premises Rental of premises Maintenance of premises Utilities Insurance of premises Moving expenses Renovations Rental and maintenance of furniture, equipment and vehicles Office equipment Communications equipment EDP equipment Transportation equipment Communications Cables/telex/fax/telephone E-mail Postage/pouch/courier Hospitality Miscellaneous services Bank charges Freight Insurance Misc. claims and adjustments Write-offs Miscellaneous services Supplies and materials Stationery and office supplies Books and periodicals Audio-visual supplies EDP supplies Miscellaneous supplies Packing materials

Category	Description
Furniture and equipment	Furniture and fixtures Equipment Office equipment Communications equipment EDP hardware EDP software Transportation Safety and security Warehouse equipment
Reimbursements	Contributions to joint activities United Nations family (CCAQ, JIU, ICSC, ACCIS) Contributions to joint service arrangements Field operations Headquarters services External audit

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